



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**CWP-14233-2025
Date of Decision: 16.05.2025**

Greater Mohali Area Development Authority Petitioner

Vs.

State of Punjab and others Respondents

**CORAM: HON'BLE MR JUSTICE SUDHIR SINGH
HON'BLE MR JUSTICE ALOK JAIN**

Present: - Mr. Ferry Sofat, Advocate, for the petitioner.

SUDHIR SINGH, J.

The petitioner has sought issuance of a writ in the nature of Certiorari quashing the order dated 21.11.2023 (Annexure P-1) passed by respondent No.2, whereby the revision petition filed by respondent No.3 has been allowed.

2. As per the facts on record, the petitioner (Greater Mohali Area Development Authority) had floated a Scheme for allotment of 4000 plots of various sizes ranging from 125 to 500 sq. yards at Aerocity, Mohali. The draw of lots was held on 24.04.2011. As per the said scheme, 10% of the price of the plot was to be deposited along with the application and 15% thereof within 30 days of the issuance of the Letter of Intent, whereas 70% was to be paid as per the payment plan and the balance 5% at the time of possession of the said plot. It is further the case of the petitioner that respondent No.3 had applied for allotment of 500 square yards plot in the Riots and Terrorists Affected Category. In the aforesaid scheme, the

petitioner remained successful in the draw of lots and accordingly, he was issued a Letter of Intent dated 03.08.2011. However, respondent No.3 failed to deposit 15% amount (Rs.9,00,000/- within 30 days) and instead of that, he deposited a sum of Rs.7,00,000/- on 05.10.2011 i.e., after the delay of 95 days and further, amount of Rs.4,00,000/- on 06.02.2013 after a delay of 1 year 5 months and 5 days. Vide letter dated 30.09.2013, the Estate Officer, GMADA, Ajitgarh cancelled the letter of intent issued to respondent No.3 on the ground of non-compliance of the conditions of the letter of intent and had also forfeited 10% amount (Rs.6,00,000/- in favour of GMADA). Respondent No.3 unsuccessfully filed an appeal against the said order passed by the Estate Officer, GMADA and the said orders were challenged by way of revision and the revisional authority, vide order dated 21.11.2023, allowed the said revision.

4. Learned counsel for the petitioner has vehemently contended that the Revisional Authority has allowed the revision petition filed by respondent No.3 without considering that there is no provision of condoning the delay under the Punjab Regional and Town Planning and Development Authority Act, 1995. It is further submitted that in terms of the policy and the Letter of Intent, respondent No.3 was to deposit the requisite amounts from time to time within the stipulated period and having deposited the said amount after a delay of 1 year 5 months and 5 days, the Estate Officer had rightly cancelled the allotment in favour of the respondent No.3. It is further argued that the policy decision dated 20.08.2002 taken by PUDA, whereby the chairman of the authority could condone the delay up to 6 months from the expiry of the prescribed period in the allotment letter was upheld by Division Bench of this Court in CWP-23196-2014 titled as "Bachittar Kaur

Vs. State of Punjab and others” decided on 08.09.2015 and therefore, the Revisional Authority was not justified in condoning the delay of 1 year 5 months and 5 days.

5. We have heard learned counsel for the petitioner.

6. Clause 8 of the letter of Intent dated 03.08.2011 reads as under;

“In case of non-payment of any installment by due date, GMADA shall reserve the right to resume the plot. However, if the applicant moves application for condonation of delay within the specified period, he/she shall be liable to pay interest and penalty on the amount due at the following rates for the delayed period on due amount:-

- i. Upto one year Interest @ 10% p.a plus penalty @ 3% p.a for the delayed period.
- ii. If the delay is upto 2 years Interest @ 10% p.A plus penalty @ 4% p.a. for the delayed period.
- iii. If the delay is upto 3 years or more Interest @ 10% p.a plus penalty @ 5% p.a for the delayed period.”

7. From the perusal of the aforesaid clause, it is clear that if the applicant (allottee) moves an application for condonation of delay within the specified period, he shall be liable to pay interest and penalty on the amount due at the rate indicated above. Of course, interest and penalty have been provided in respect of the delay, ranging from 1 to 3 years. The Revisional Authority in the impugned order has found that in the LOI, it was mentioned that delay of maximum 180 days can be condoned and beyond that it cannot be condoned. It was concluded as under:-

“In the light of the facts and circumstances discussed in the preceding paras, I have examined the record. As the issue of condonation of delay is concerned, I, in view of submissions and circumstances of the petitioner, am of the considered view that it has nowhere in the LOI been mentioned that delay of maximum 180 days may be condoned and delay of more than 180 days shall not be condoned. Thus in the absence of any specific conditions in LOI regarding maximum condonable delay, the a petitioner cannot be deprived of her property. So this case is made out of in favour of the petitioner and delay is condoned and the cancellation order dated 30.09.2013 passed by Estate Officer, GMADA and order dated 20.03.2015 passed by Appellate Authority cum Additional Chief Administrator, GMADA are set-aside. Further giving the petitioner a last opportunity, she is directed to deposit the entire balance amount, alongwith all kind of charges/fees/penal interest whichever is due, within 45 days from the receipt of intimation of dues and the total dues shall be communicated to the petitioner by Estate Officer, GMADA within a period of 30 days from the date of receipt of this order. In case the petitioner fails to comply with this order, the cancellation order dated 30.09.2015 passed by Estate Officer, GMADA, shall stand revived automatically.”

8. In Clause 8 of the Letter of Intent, it has been specifically provided that if the payment is delayed by the applicant, he may move an application for condonation of delay and he shall be liable to pay interest and

penalty for the delayed period spanning 1 to 3 years. It is not the case of the petitioner that respondent No.3 had not paid the aforesaid interest and penalty. Rather, the only emphasis is on the fact that the Revisional Authority did not have any power to condone the delay. However, we find that said submission of the learned counsel for the petitioner is bereft of any merit.

9. In view of the above, we find no merit in the present appeal.

Consequently, the same is hereby dismissed.

10. Pending application(s), if any, shall also stand disposed of.

(SUDHIR SINGH)
JUDGE

(ALOK JAIN)
JUDGE

16.05.2025

poonam

Whether speaking/reasoned?

Yes/no

Whether reportable?

Yes/no